

# **ALDORT DECLARATION**

## **EXHIBIT 8**

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

----- X  
AIU INSURANCE COMPANY,

Plaintiff,

-against-

CERTAIN UNDERWRITERS AT LLOYD'S,  
LONDON and CERTAIN LONDON MARKET  
INSURANCE COMPANIES,

Defendants.  
----- X

Index No. 602924/07

SUPPLEMENTAL  
SUMMONS

by *hul*  
MENDES & MOUNT LLP  
RECEIVED

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Time \_\_\_\_\_  
Signature \_\_\_\_\_

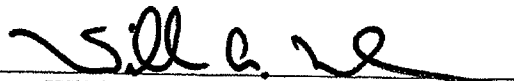
TO THE DEFENDANTS LISTED ON ANNEXED SCHEDULE A:

You are hereby summoned and required to submit to Plaintiff's attorney, William A. Maher, WOLLMUTH MAHER & DEUTSCH LLP, 500 Fifth Avenue, New York, New York, 10110, your Answer to Plaintiff's Amended Complaint within twenty (20) days after the service of this summons, exclusive of the day of service (or within thirty (30) days after the service is complete if this summons is not personally delivered to you within the state of New York), and in the case of

your failure to appear or answer, judgment will be taken against you by default for the relief demanded in the Amended Complaint.

Dated: September 14, 2007  
New York, New York

**WOLLMUTH MAHER & DEUTSCH LLP**

By:   
William A. Maher  
Marc L. Abrams

500 Fifth Avenue  
New York, NY 10110  
(212) 382-3300

Attorneys for Plaintiff AIU Insurance Company

**SCHEDULE A**  
**DEFENDANTS' ADDRESSES**

CERTAIN UNDERWRITERS AT LLOYD'S LONDON, MEMBERS  
OF SYNDICATES 0056, 0090, 0109, 0175, 0190, 0205, 0279, 0365, 0404,  
0506, 0518, 0553, 0589, 0604, 0620, 0629, 0661, 0694, 0729, 0918 and 0989 FOR THE  
UNDERWRITING YEARS AT ISSUE

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829

and

c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

ALLIANZ INTERNATIONAL INSURANCE COMPANY LIMITED  
(upon information and belief, now known as Allianz Insurance plc)

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829

and

c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

ALLIANZ VERSICHERUNGS A.G.

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829

and

c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

ASSICURAZIONI GENERALI, S.P.A.

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829

and

c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

ASSURANCE-COMPAGNIET BALTICA-SKANDINAVIA AKTIESELSKAB

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and  
c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

C.A. REASEGURADORA NACIONAL DE VENEZUELA

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and  
c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

COMPANHIA DE SEGUROS IMPERIO, LISBON

(upon information and belief, now known as Imperio Bonanca-Companhia de Seguros, S.A.)

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and  
c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

CNA REINSURANCE COMPANY OF LONDON LIMITED

(upon information and belief, now known as CX Reinsurance Company Limited)

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and  
c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

EISEN UND STAHL RUCKVERSICHERUNGS A.G.

(upon information and belief, now known as E+S Ruckversicherungs A.G.)

c/o Mendes & Mount, LLP

750 Seventh Avenue

New York, New York 10019-6829

and

c/o Lord, Bissell & Brook LLP

885 Third Avenue

26<sup>th</sup> Floor

New York, NY 10022

INSCO, LIMITED

c/o Mendes & Mount, LLP

750 Seventh Avenue

New York, New York 10019-6829

and

c/o Lord, Bissell & Brook LLP

885 Third Avenue

26<sup>th</sup> Floor

New York, NY 10022

LA PRESERVATRICE CIE. ANON. D'ASSURANCES

c/o Mendes & Mount, LLP

750 Seventh Avenue

New York, New York 10019-6829

and

c/o Lord, Bissell & Brook LLP

885 Third Avenue

26<sup>th</sup> Floor

New York, NY 10022

LE ASSICURAZIONI D'ITALIA GRUPPO INA

c/o Mendes & Mount, LLP

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New York, New York 10019-6829

and

c/o Lord, Bissell & Brook LLP

885 Third Avenue

26<sup>th</sup> Floor

New York, NY 10022

MUNICH REINSURANCE COMPANY

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and

c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

THE NISSHIN FIRE & MARINE INSURANCE COMPANY LIMITED

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and

c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

ROYALE BELGE S.A. D'ASSURANCES

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and

c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

SINGAPORE REINSURANCE CORPORATION LIMITED

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and

c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

ST. KATHERINE INSURANCE COMPANY LTD.

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and  
c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

STOREBRAND INSURANCE COMPANY (UK) LIMITED

(upon information and belief, now known as Oslo Reinsurance Company (UK) Limited)  
c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and  
c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

STRONGHOLD INSURANCE COMPANY LIMITED

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and  
c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

TAISHO MARINE & FIRE INSURANCE COMPANY (UK) LIMITED (upon information and belief, now known as Mitsui Sumitomo Insurance Company (Europe) Limited)

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and  
c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

THE CHEMICAL INSURANCE COMPANY LIMITED

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and  
c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

THE PEOPLE'S INSURANCE COMPANY OF CHINA

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and  
c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

THE TOKIO MARINE & FIRE INSURANCE COMPANY (UK) LIMITED

(upon information and belief, now known as Tokio Marine Europe Insurance Limited)

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and  
c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

THE TOKIO MARINE & FIRE INSURANCE COMPANY LIMITED

c/o Mendes & Mount, LLP  
750 Seventh Avenue  
New York, New York 10019-6829  
and  
c/o Lord, Bissell & Brook LLP  
885 Third Avenue  
26<sup>th</sup> Floor  
New York, NY 10022

VAKUUTUSOSAKEYHTIO POHJOLA

c/o Mendes & Mount, LLP

750 Seventh Avenue

New York, New York 10019-6829

and

c/o Lord, Bissell & Brook LLP

885 Third Avenue

26<sup>th</sup> Floor

New York, NY 10022

WINTERTHUR SWISS INSURANCE COMPANY

(upon information and belief, now known as AXA Winterthur)

c/o Mendes & Mount, LLP

750 Seventh Avenue

New York, New York 10019-6829

and

c/o Lord, Bissell & Brook LLP

885 Third Avenue

26<sup>th</sup> Floor

New York, NY 10022

YASUDA FIRE AND MARINE INSURANCE COMPANY (UK) LIMITED

c/o Mendes & Mount, LLP

750 Seventh Avenue

New York, New York 10019-6829

and

c/o Lord, Bissell & Brook LLP

885 Third Avenue

26<sup>th</sup> Floor

New York, NY 10022

1. This action seeks damages and other relief in connection with the London Market Reinsurers' failure to pay amounts due in accordance with certain reinsurance agreements that they entered into with AIU. Under these reinsurance agreements, the London Market Reinsurers agreed to indemnify AIU for payments made by AIU pursuant to certain underlying umbrella insurance policies that AIU issued to its insured, Foster Wheeler Corporation, and its insured's affiliates (collectively, "Foster Wheeler").

2. Although AIU paid significant reinsurance premiums to the London Market Reinsurers in return for this reinsurance protection, and despite the fact that the reinsurance agreements give rise to legally binding obligations, the London Market Reinsurers have wrongfully refused to pay what is due and owing under these agreements. Accordingly, AIU brings this action to recover the damages and other relief to which it is entitled as a result of the London Market Reinsurers' breach of contract and other violations.

### **THE PARTIES**

3. Plaintiff AIU is an insurance company that is organized under the laws of the State of New York and maintains its principal place of business in New York.

4. Defendant Certain Underwriters at Lloyd's, London are individual underwriting Names organized as underwriting syndicates that do business at Lloyd's in London, England. The relevant underwriting syndicates are identified in Exhibit A to the Amended Complaint, and are incorporated into the Amended Complaint as though fully set forth herein.

5. Defendant Certain London Market Insurance Companies are insurance companies that do business in the London insurance market. These companies are identified in Exhibit B to the Amended Complaint, and are incorporated into the Amended Complaint as though fully set forth herein.

### **JURISDICTION AND VENUE**

6. Through the provisions of the reinsurance agreements between them and AIU, which are discussed more fully below, the London Market Reinsurers have consented to this Court's jurisdiction.

7. In the alternative, this action arises from the London Market Reinsurers' transaction of business within New York, namely the London Market Reinsurers' provision of reinsurance to AIU, a corporation domiciled and incorporated in New York. This Court can therefore exercise personal jurisdiction over the London Market Reinsurers pursuant to New York Civil Practice Law & Rules ("CPLR") § 302(a)(1).

8. In the alternative, AIU seeks a declaration of the parties' respective rights and obligations to indemnify AIU arising out of AIU's settlement with Foster Wheeler in connection with certain asbestos losses. This Court has jurisdiction over this action under CPLR § 3001, which provides for its exclusive jurisdiction over declaratory judgment proceedings.

9. Venue lies in the Supreme Court of New York, New York County under CPLR § 503 because plaintiff AIU resides in New York County.

### **BACKGROUND**

10. Reinsurance is a type of insurance in which an insurer transfers to a reinsurer some or all of the risk that the insurer has assumed under one or more insurance policies. The reinsurer is paid a premium in accordance with the terms of the reinsurance agreement. The original insurer is known as the "cedent" or "ceding insurer" and it is said to "cede" risk, and premium, to the reinsurer. In this case, AIU, as cedent, transferred certain risks discussed below to the London Market Reinsurers, as reinsurers.

11. The reinsurance that the London Market Reinsurers provided to AIU is referred to as "facultative reinsurance," which is a type of reinsurance coverage that applies to a single policy or risk and is negotiated on an individual basis.

**The Relevant Agreements**

12. Between 1978 and 1982, as well as in certain other years not relevant to this dispute, Liberty Mutual Insurance Company and its affiliates (“Liberty Mutual”) issued primary general liability insurance policies to Foster Wheeler (the “Primary Policies”) in the amount of \$1 million per occurrence and in the aggregate.

13. Sitting directly above certain of the Primary Policies were four Umbrella Liability Policies that AIU issued to Foster Wheeler bearing policy numbers, 75-100789, 75-101149, 75-101988 and 75-102083 (collectively, the “Umbrella Policies”). The Umbrella Policies were effective from October 1, 1978 until October 1, 1982 and contained limits of \$20 million per occurrence and in the aggregate for claims in excess of Liberty Mutual’s \$1 million limits under the Primary Policies.

14. In order to reinsure its exposure under the Umbrella Policies, AIU entered into certain facultative reinsurance agreements with the London Market Reinsurers covering the same time periods as the Umbrella Policies: i.e., from October 1, 1978 until October 1, 1982. These reinsurance agreements included contracts numbered UN 25957, UN 25960, UQ 30035, UQ 30036 and UQ 30037, which, taken together, covered periods from October 1, 1978 until October 1, 1982. (collectively, the “Reinsurance Agreements”).

15. Under the Reinsurance Agreements, the London Market Reinsurers agreed to indemnify AIU for a portion of losses and loss expenses that AIU incurred under the Umbrella Policies.

16. More specifically, in connection with Umbrella Policy 75-100789, the London Market Reinsurers agreed inter alia to pay with respect to “any one occurrence,”

their respective shares of 15 percent of AIU's first \$5 million of exposure, and their respective shares of approximately 68.18 percent of AIU's next \$5 million of exposure; in connection with Umbrella Policy 75-101149, the London Market Reinsurers agreed inter alia to pay with respect to "any one occurrence," their respective shares of 15 percent of AIU's first \$5 million of exposure, and their respective shares of approximately 74.22 percent of AIU's next \$5 million of exposure; in connection with Umbrella Policy 75-101988, the London Market Reinsurers agreed, inter alia, to pay with respect to "any one occurrence," their respective shares of 5 percent of AIU's first \$5 million of exposure, and their respective shares of 65 percent of AIU's next \$5 million of exposure; and, with respect to Umbrella Policy 75-102083, the London Market Reinsurers agreed, inter alia, to pay with respect to "any one occurrence," their respective shares of 85 percent of AIU's first \$5 million of exposure, and their respective shares of 100 percent of AIU's next \$5 million of exposure.

17. The "cover notations" prepared in connection with the Reinsurance Agreements contain "follow the settlements" language, stating that "[b]eing a Reinsurance of and warranted same gross rate and warranted subject to the same terms and conditions as and to follow the settlements of the Reassured."

18. In exchange for their agreement to reinsure AIU in accordance with the terms of the Reinsurance Agreements, the London Market Reinsurers accepted substantial premium payments from AIU.

### **The Underlying Claims**

19. Foster Wheeler was a manufacturer and installer of boilers and other steam generating and heat exchange equipment for various utilities and other industries.

Since the late 1970s, hundreds of thousands of asbestos claims have been asserted against Foster Wheeler.

20. Foster Wheeler was engaged in coverage litigation with Liberty Mutual (and various of its other excess and umbrella insurers, including AIU and certain of the London Market Reinsurers) as to the coverage obligations under the Primary Policies (as well as the coverage obligations under various other primary, excess and umbrella policies), relating to asbestos claims asserted against it. In or around June 2003, Foster Wheeler and Liberty Mutual ultimately settled their respective claims against one another, thereby exhausting coverage under the Primary Policies. Foster Wheeler also sought insurance payments from certain excess and umbrella insurers, including AIU, and certain of the London Market Reinsurers, in the action entitled Foster Wheeler LLC v. Affiliated FM Ins. Co., Index No. 60777/01 (Supreme Court, New York County) (the "Coverage Action").

21. After negotiations between Foster Wheeler, AIU, and certain of AIU's corporate affiliates, AIU and certain of its corporate affiliates reached a settlement with Foster Wheeler and entered into a confidential settlement agreement dated as of June 30, 2006 (the "Settlement Agreement"). Thereafter, AIU and certain of its corporate affiliates were dismissed from the Coverage Action.

22. In accordance with the terms of the Settlement Agreement, AIU has made substantial payments to Foster Wheeler under the Umbrella Policies.

23. AIU has provided the London Market Reinsurers with information related to the coverage claims asserted by Foster Wheeler and the Settlement Agreement.

**The Reinsurance Billings**

24. On or about April 30, 2007, AIU submitted a reinsurance billing notice and letter to Willis, Faber & Dumas Limited (“Willis”), the entity that receives reinsurance claims on behalf of the London Market Reinsurers.

25. AIU has subsequently submitted additional billings and proofs of loss to Willis, including correspondence dated June 22, 2007, which indicated that as of that date, the London Market Reinsurers owed AIU their respective shares of approximately \$11,975,569 in reinsurance billings submitted under the Reinsurance Agreements in connection with payments AIU has made under the Settlement Agreement.

26. Despite AIU’s requests for payment, and the fact that AIU has fulfilled all of its obligations under the Reinsurance Agreements, the London Market Reinsurers have failed to fulfill their obligations under the Reinsurance Agreements to pay the billed amounts which are due and owing under the terms of the Reinsurance Agreements.

**COUNT I**  
**(Breach of Contract)**

27. AIU repeats and realleges the allegations set forth in paragraphs 1 through 26 as though fully set forth herein.

28. Under the Reinsurance Agreements, the London Market Reinsurers have an obligation and a duty to reimburse AIU for their share of losses in connection with the Umbrella Policies issued to Foster Wheeler.

29. By failing to pay their share of AIU’s losses, the London Market Reinsurers have breached their obligations and duties to reinsure and indemnify AIU, as required by the Reinsurance Agreements.

30. As a result of the London Market Reinsurers' breach of the Reinsurance Agreements, AIU has suffered damages in the amount of at least the London Market Reinsurers' respective shares of \$11,975,569 plus interest.

**COUNT II**  
**(Declaratory Relief)**

31. AIU repeats and realleges the allegations set forth in paragraphs 1 through 30 as though fully set forth herein.

32. The London Market Reinsurers have failed to acknowledge their liability under the Reinsurance Agreements for the losses submitted to them by AIU in connection with the Settlement Agreement.

33. There is an actual controversy between AIU and the London Market Reinsurers as to their respective rights and liabilities under the Reinsurance Agreements.

34. AIU is entitled to a declaration, in accordance with CPLR § 3001, that the Reinsurance Agreements are in full force and effect and that the London Market Reinsurers are obligated to make timely payments to AIU in such amounts as have already become due and may become due in the future insofar as claims are ceded under the Reinsurance Agreements in connection with the Settlement Agreement.

WHEREFORE, Plaintiff AIU respectfully requests that this Court enter judgment in its favor, and against the London Market Reinsurers, as follows:

A. A judgment that the London Market Reinsurers have breached the Reinsurance Agreements;

B. Compensatory damages for the London Market Reinsurers' respective shares of \$11,975,569, plus interest;

- C. A declaration that the London Market Reinsurers must reimburse AIU for their share of current and future losses under the Reinsurance Agreements in connection with payments under the Settlement Agreement;
- D. Reasonable costs and fees incurred in bringing this action; and
- E. Such other relief as the Court deems just and proper.

Dated: September 14, 2007  
New York, New York

**WOLLMUTH MAHER & DEUTSCH LLP**

By: 

William A. Maher  
Marc L. Abrams

500 Fifth Avenue  
New York, NY 10110  
(212) 382-3300

Attorneys for Plaintiff AIU Insurance Company

**EXHIBIT A**  
**LLOYD'S UNDERWRITERS SUBSCRIBING**  
**TO ONE OR MORE OF THE REINSURANCE AGREEMENTS**

SYNDICATE NO.

56  
90  
109  
175  
190  
205  
279  
365  
404  
506  
518  
553  
589  
604  
620  
629  
661  
694  
729  
918  
989

**EXHIBIT B**

**LONDON MARKET COMPANIES SUBSCRIBING TO ONE OR MORE OF THE  
REINSURANCE AGREEMENTS AND DESIGNATED AS DEFENDANTS**

Allianz International Insurance Company Limited (upon information and belief, now known as Allianz Insurance plc)

Allianz Versicherungs A.G.

Assicurazioni Generali, S.p.A

Assurance-Compagniet Baltica-Skandinavia Aktieselskab

C.A. Reaseguradora Nacional de Venezuela

Companhia de Seguros Imperio, Lisbon (upon information and belief, now known as Imperio Bonanca-Companhia de Seguros, S.A.)

CNA Reinsurance Company of London Limited (upon information and belief, now known as CX Reinsurance Company Limited)

Eisen Und Stahl Ruckversicherungs A.G. (upon information and belief, now known as E+S Ruckversicherungs A.G.)

Insko, Limited

La Preservatrice Cie. Anon. D'Assurances

Le Assicurazioni d'Italia Gruppo INA

Munich Reinsurance Company

The Nisshin Fire & Marine Insurance Company Limited

Royale Belge S.A. D'Assurances

Singapore Reinsurance Corporation Limited

St. Katherine Insurance Company Ltd.

Storebrand Insurance Company (UK) Limited (upon information and belief, now known as Oslo Reinsurance Company (UK) Limited)

Stronghold Insurance Company Limited

Taisho Marine & Fire Insurance Company (UK) Limited (upon information and belief, now known as Mitsui Sumitomo Insurance Company (Europe) Limited)

The Chemical Insurance Company Limited

The People's Insurance Company of China

The Tokio Marine & Fire Insurance Company (UK) Limited (upon information and belief, now known as Tokio Marine Europe Insurance Limited)

The Tokio Marine & Fire Insurance Company Limited

Vakuutusosakeyhtio Pohjola

Winterthur Swiss Insurance Company (upon information and belief, now known as AXA Winterthur)

Yasuda Fire and Marine Insurance Company (U.K.) Limited